

United States Senate

WASHINGTON, DC 20510

October 8, 2009

The Honorable Harry Reid
Majority Leader
United States Senate
S-221, The Capitol
Washington, DC 20510

The Honorable Max Baucus
Chairman
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Tom Harkin
Chairman
Senate Committee on Health, Education, Labor and Pensions
428 Dirksen Senate Office Building
Washington, DC 20510

Dear Majority Leader Reid, Chairman Baucus, and Chairman Harkin,

We applaud your efforts to address health reform in our country.

While we remain committed to the legislation being fully offset, we write to express our deep concern about the annual \$4 billion tax on medical device manufacturers included in *America's Healthy Future Act of 2009*. We are extremely concerned that this tax could threaten jobs in our States, reduce domestic investment in research and development (R&D), and ultimately diminish access to life-saving medical devices for patients.

Medical technology companies employ more than 357,700 workers in the United States. Current estimates indicate there are as many as 6,000 medical technology firms currently operating domestically, and 95 percent of them have fewer than \$100 million in annual sales. With such a large number of firms manufacturing as many as 80,000 unique medical device technologies, a one-size fits all excise tax could have significant ramifications for an industry.

A tax of such magnitude will threaten the existence of some manufacturers, would likely lead to significant job reductions by others, and will certainly curtail investment in innovation. These jobs, which pay an average of 15 percent more than the average manufacturing job, are critical to our States' economies. The research provides not only employment, but medical advances necessary to diagnose debilitating diseases and to reduce health care costs. We urge you to moderate the tax proposal in order to prevent such unnecessary consequences.

We appreciate your consideration on this issue and look forward to your response.

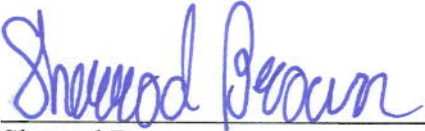
Sincerely,



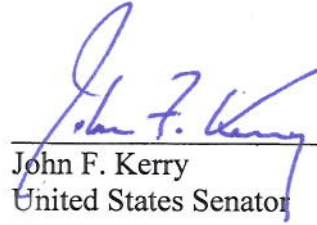
Evan Bayh
United States Senator



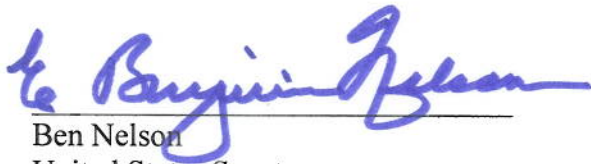
Amy Klobuchar
United States Senator



Sherrod Brown
United States Senator



John F. Kerry
United States Senator



Ben Nelson
United States Senator



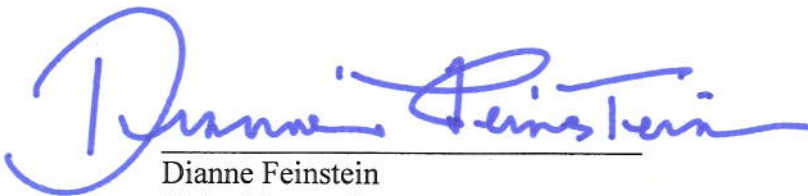
Kay R. Hagan
United States Senator



Al Franken
United States Senator



Paul G. Kirk, Jr.
United States Senator



Dianne Feinstein
United States Senator



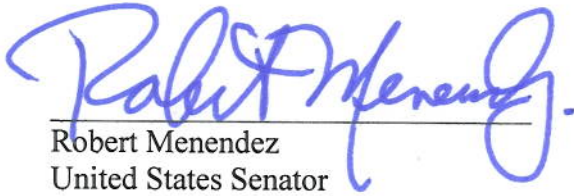
Debbie Stabenow
United States Senator



Barbara Boxer
United States Senator



Kirsten E. Gillibrand
United States Senator



Robert Menendez
United States Senator



Frank R. Lautenberg
United States Senator